

A man with short, graying hair, wearing a dark suit, white shirt, and striped tie, stands with his arms crossed and a wide smile. He is positioned in front of a blurred background of a modern building with large windows and a clear blue sky.

## PUBLIC – PRIVATE PARTNERSHIPS

“ Beyond the environmental achievement, which was the largest Brownfield clean-up in Arizona, and beyond the scale of the project, which is the largest outdoor retail destination of its kind, Tempe Marketplace has a vibrancy, an excitement and a pulse that is a direct reflection of the City itself. We are proud to call Tempe home.”

+ David Malin, Project Manager, Tempe Marketplace, Vestar Development Co.

“ With the significant environmental hurdles and the 52 different private landowners, Tempe Marketplace is widely considered one of the most complicated land transactions in Arizona. Today, it is one of the State’s great success stories. The project’s success demonstrated the limitless potential when the public and private sector collaborate to achieve the same goal. The City of Tempe was a model partner.”

+ David Larcher, Executive Vice President, Vestar Development Co.



**BENEFITS**

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# TRAINING & TAX PROGRAMS

## ENTREPRENEURIAL TRAINING PROGRAMS

- + FastTrac entrepreneur training offers courses to small business owners and researchers
- + Technopolis Launch Pad, a rigorous one-on-one coaching program leading to a refined articulation of the entrepreneur's business concept and strategy
- + Technopolis Launch Prep Entrepreneurship Course (formerly TLSE) , an eight-week structured study of the major concepts of innovators and entrepreneurs
- + Technopolis In-depth workshops to help local entrepreneurs access federal funding programs that finance early stages of technology and life science product development (SBIR and STTR)
- + Technopolis Mentoring Program, a six-month program designed to provide companies with the counsel they need to build their ventures into successful enterprises

## TEMPE NETWORKING AND EDUCATION PROGRAMS

- + Techie Tuesday gatherings of technology workers with guest speakers in relaxed, happy hour setting
- + Discovery Series lectures within the lab space of ASU researchers
- + Arizona Technology Council mixers and breakfasts feature technology business leaders

## STATE OF ARIZONA INCENTIVE PROGRAMS

### ANGEL INVESTMENT TAX CREDIT PROGRAM

- + Available to investors who invest in early-stage qualified small businesses
- + Equal to 30% of the investment amount, increasing to 35% for investments in bioscience enterprises
- + Must be an equity investment in a minimum amount of \$25,000 per investment
- + Limited to a maximum of \$250,000 in investments

### ARIZONA JOB TRAINING PROGRAM

- + Provides grant money to companies creating new jobs or retraining existing Arizona workers
- + Maximum allowable grant is \$ 1.5 million
- + No limit on the number of grants a company can receive

### POLLUTION CONTROL TAX CREDIT

- + Provides 10 percent income tax credit on property used to control or prevent pollutions

### TRANSACTION PRIVILEGE AND USE TAX EXEMPTION

- + Exempts the sales of machinery and equipment used directly in manufacturing from state transaction privilege and use tax

### ACCELERATED DEPRECIATION

- + An aggressive schedule to encourage capital investment
- + Reduces company's personal property tax liability

### PRIVATE ACTIVITY BONDS

- + Used for construction of industrial and manufacturing facilities and equipment
- + Interest on the bonds is exempt from federal income tax
- + A company can issue up to \$10 million in bonds

### FOREIGN TRADE ZONE PROGRAM

- + Merchandise can be brought duty-free for purposes of storing, repacking, display, assembly or manufacturing
- + Imports may be landed and stored without full customs formalities
- + Arizona is the only state in the US that provides an 80 percent reduction in real and personal property taxes for companies qualifying for Foreign Trade Zone or sub-zone designation

GET DETAILS AT [WWW.TEMPE.GOV/BUSINESS](http://WWW.TEMPE.GOV/BUSINESS)

# FINANCE RATING, TAX RATES

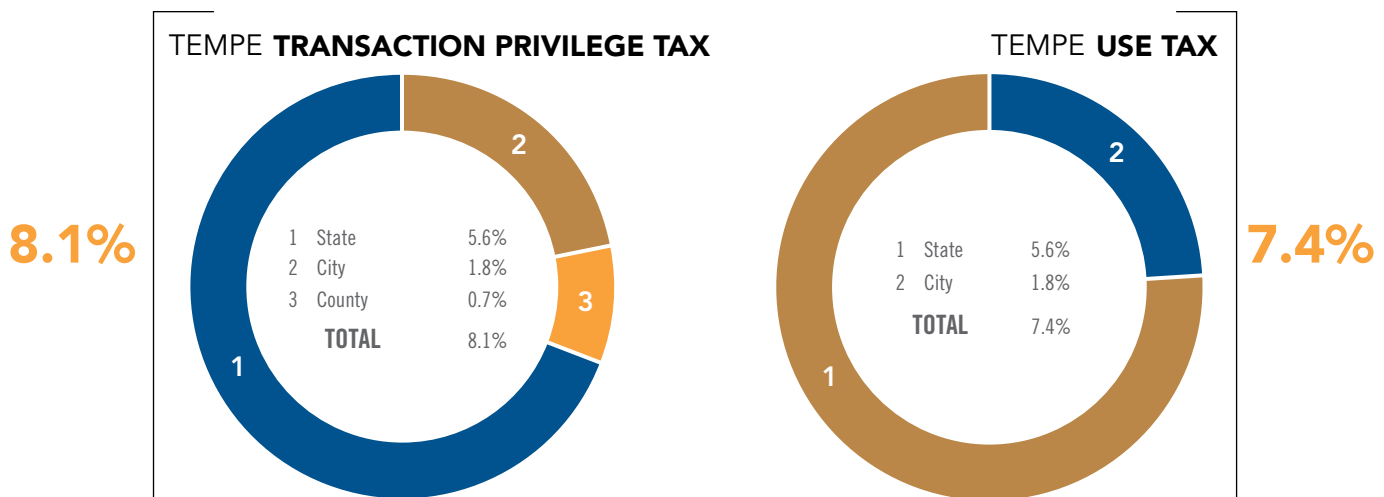
## TEMPE BOND RATING

Fitch **AAA Rating**

Moody's **Aa1 Rating**

Standard & Poor's **AAA Rating**

## CORPORATE INCOME TAX **6.968%**



## TEMPE REAL AND PERSONAL PROPERTY TAX

+ Primary City Rate **\$.52** for every **\$100** in assessed value

+ Secondary City Rate **\$.83** for every **\$100** assessed value

## UNEMPLOYMENT INSURANCE

+ **0.82%** on first \$7,000/employee = **\$57.40**

+ For new companies, the rate is **2.7%** for two calendar years, then is set by Arizona Department of Economic Security based on experience. The 0.82% is an average rate of all companies in Arizona

## WORKERS COMPENSATION

+ Arizona annual composite worker costs are among the lowest in the nation

+ The National Council on Compensation Insurance determines coverage rates as endorsed by the Arizona Department of Insurance

+ Price is based on DOI-approved schedule ratings or rate deviations and on the dividend performance of each carrier

+ Companies may choose from three methods to insure employees

+ Self-insurance

+ Private carrier policy

+ State Fund

# ENTERPRISE ZONE

- + Designed to encourage economic vitality in disadvantaged areas through the creation of new jobs and private investment that will strengthen property values
- + Businesses in Enterprise Zones may receive benefits for loan and job training programs administered by the State of Arizona
- + [www.azcommerce.com](http://www.azcommerce.com)

## INCENTIVES

- + State income tax credits for net increases in qualified employment positions
- + Property tax reclassifications for qualified manufacturing businesses locating or expanding facilities in an enterprise zone
- + An assessment ratio of 5% on all personal and real property within the zone for five years

## CREDIT AMOUNTS

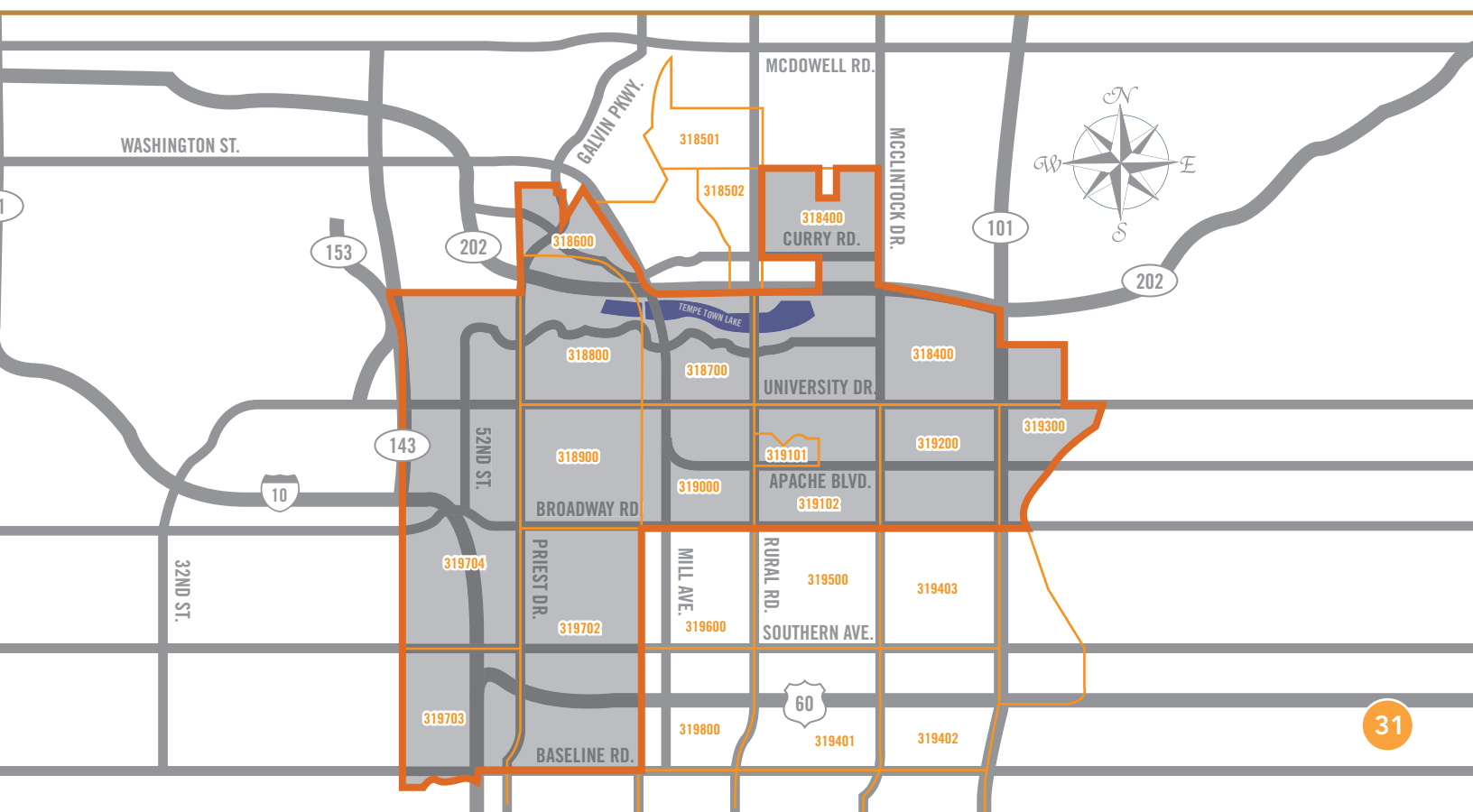
- + One fourth of the taxable wages not to exceed \$500 per net new position in the first year of partial employment
- + One third of taxable wages paid to each previously qualified employee, not to exceed \$1,000 per employee, for the second year of continuous employment
- + One half of taxable wages paid to each qualified employee, not to exceed \$1,500 per employee, in the third year of continuous employment

## QUALIFICATIONS

- + All businesses located within the enterprise zone qualify, except those where tangible personal property is sold at retail, may qualify for State income tax credits
- + At least 35% of net eligible employees must live within an enterprise zone when hired

### An eligible position is:

- + A full time permanent job
- + Pays an hourly wage better than the Wage Offer by Maricopa County
- + Provides at least 50% of the cost of health insurance to employees



# REDEVELOPMENT AREAS

- + Designed to rejuvenate areas that need public assistance
- + Benefits of redevelopment include enhanced crime prevention, public/private partnerships for new development and cityscape improvements
- + Current areas include: Apache Boulevard, McClintock / Rio Salado Redevelopment Area, Mill Avenue District, Papago Park Center, Tempe Town Lake
- + Redevelopment works: Many of these areas are now some of the most expensive real estate in Arizona

